

**OTIS - BISON UNIFIED SCHOOL DISTRICT NO. 403**  
**Otis, Kansas**

Financial Statements with Independent Auditors' Report

For the Year Ended June 30, 2008

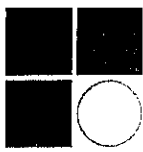
**OTIS - BISON UNIFIED SCHOOL DISTRICT NO. 403**  
**Otis, Kansas**  
Financial Statements with Independent Auditors' Report  
For the Year Ended June 30, 2008

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Certified  
Public  
Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Education

**Otis - Bison Unified School District No. 403**

Otis, KS 67565

We have audited the accompanying financial statements of **Otis - Bison Unified School District No. 403, Otis, Kansas**, as of and for the year ended June 30, 2008 as listed in the table of contents. These financial statements are the responsibility of **Otis - Bison Unified School District No. 403, Otis, Kansas'** management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the Kansas Municipal Audit Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As described more fully in Note 1, **Otis - Bison Unified School District No. 403, Otis, Kansas** has prepared these financial statements using accounting practices prescribed or permitted by the State of Kansas which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **Otis - Bison Unified School District No. 403, Otis, Kansas**, as of June 30, 2008, or changes in financial position for the year then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of each fund of **Otis - Bison Unified School District No. 403, Otis, Kansas**, as of June 30, 2008, their respective cash receipts and disbursements, and budgetary results for the year then ended, on the basis of accounting described in Note 1.

*Adams, Brown, Beran & Ball*

**ADAMS, BROWN, BERAN & BALL, Chtd.**  
Certified Public Accountants

October 13, 2008

## OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

Summary of Cash Receipts, Expenditures, and Unencumbered Cash  
For the Year Ended June 30, 2008

Fund	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
<b>Governmental Funds</b>						
General Fund	\$ (108,422)	2,107,011	2,096,498	(97,909)	6,382	(91,527)
Supplemental General Fund	13,821	524,753	539,545	(971)	894	(77)
<b>Special Revenue Funds</b>						
At Risk (K-12) Fund	-	127,708	127,708	-	624	624
Capital Outlay Fund	222,593	70,962	74,113	219,442	52,802	272,244
Driver Training Fund	4,970	3,120	5,396	2,694	-	2,694
Food Service Fund	36,242	143,793	144,006	36,029	218	36,247
Professional Development Fund	1,705	345	1,843	207	330	537
Special Education Fund	77,271	383,763	361,034	100,000	-	100,000
Vocational Education Fund	-	140,768	140,768	-	-	-
KPERS Retirement Fund	-	107,546	107,546	-	-	-
Contingency Reserve Fund	85,000	-	-	85,000	-	85,000
Textbook Rental Fund	9,196	8,065	12,907	4,354	11,609	15,963
Title I Fund	-	35,141	35,138	3	-	3
Title II - Teacher Improvement Fund	-	11,713	11,713	-	-	-
Title II - Education Technology Fund	-	351	351	-	-	-
Title IV - Safe and Drug Free Schools Fund	-	950	950	-	600	600
Title V - Innovative Programs Fund	-	516	516	-	516	516
Small Rural Schools Grant Fund	36	23,689	23,725	-	17,160	17,160
Gifts and Grants Fund	-	1,025	-	1,025	-	1,025
Carl Perkins Grants Fund	-	1,869	1,869	-	-	-
District Activity Funds	46,294	45,251	45,082	46,463	-	46,463
<b>Total Reporting Entity (Excluding Agency Funds)</b>	<b>\$ 388,706</b>	<b>3,738,339</b>	<b>3,730,708</b>	<b>396,337</b>	<b>91,135</b>	<b>487,472</b>
<b>Composition of Cash:</b>						
Checking Accounts						62,448
Savings Accounts						158,625
Certificates of Deposit						300,000
Total Cash						521,073
Less Agency Funds per Statement 4						(33,601)
<b>Total Reporting Entity (Excluding Agency Funds)</b>						<b>\$ 487,472</b>

The notes to the financial statements are an integral part of this statement.

OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403  
Ofis, Kansas  
Summary of Expenditures - Actual and Budget  
For the Year Ended June 30, 2008

Fund	Certified Budget	Adjustment to Comply With Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Favorable (Unfavorable)
<b>Governmental Funds</b>						
General Fund	\$ 2,122,702	(32,805)	6,601	2,096,498	2,096,498	-
Supplemental General Fund	539,545	-	-	539,545	539,545	-
<b>Special Revenue Funds</b>						
At Risk (K-12) Fund	163,045	-	-	163,045	127,708	35,337
Capital Outlay Fund	190,000	-	-	190,000	74,113	115,887
Driver Training Fund	8,590	-	-	8,590	5,396	3,194
Food Service Fund	203,580	-	-	203,580	144,006	59,574
Professional Development Fund	5,759	-	-	5,759	1,843	3,916
Special Education Fund	372,717	-	-	372,717	361,034	11,683
Vocational Education Fund	141,037	-	-	141,037	140,768	269
KPERS Retirement Fund	120,911	-	-	120,911	107,546	13,365

The notes to the financial statements are an integral part of this statement.

## OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

General Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2008

(With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts</b>				
<b>Taxes and Shared Revenues</b>				
Ad Valorem Tax	\$ 337,686	341,690	336,928	4,762
Delinquent Tax	1,174	2,001	1,698	303
Severance Tax	1,054	1,344	-	1,344
<b>Intergovernmental Revenue</b>				
Equalization Aid	1,493,553	1,494,455	1,510,390	(15,935)
State Aid	214,892	260,920	240,881	20,039
<b>Other Local Sources</b>				
Miscellaneous	9,875	5,123	-	5,123 (a)
Reimbursements	1,692	1,478	-	1,478 (a)
<b>Total Cash Receipts</b>	<u>2,059,926</u>	<u>2,107,011</u>	<u>2,089,897</u>	<u>17,114</u>
<b>Expenditures</b>				
Instruction	931,709	890,322	949,000	58,678
Student Support Services	56,693	58,001	60,100	2,099
Instructional Support Services	60,368	48,193	59,120	10,927
General Administration	173,155	177,892	180,850	2,958
School Administration	192,029	199,864	183,355	(16,509)
Operations and Maintenance	40,687	110	-	(110)
Vehicle Operating Services	186,933	139,967	142,740	2,773
Operating Transfers	427,862	582,149	547,537	(34,612)
Adjustment to Comply with Legal Max	-	-	(32,805)	(32,805)
<b>Legal General Fund Budget</b>	<u>2,069,436</u>	<u>2,096,498</u>	<u>2,089,897</u>	<u>(6,601)</u>
(a) Adjustment for Qualifying Budget Credit	<u>-</u>	<u>-</u>	<u>6,601</u>	<u>6,601</u>
<b>Total Expenditures</b>	<u>2,069,436</u>	<u>2,096,498</u>	<u>2,096,498</u>	<u>-</u>
<b>Receipts Over (Under) Expenditures</b>	(9,510)	10,513		
<b>Unencumbered Cash, July 1</b>	<u>(98,912)</u>	<u>(108,422)</u>		
<b>Unencumbered Cash, June 30</b>	\$ <u>(108,422)</u>	<u>(97,909)</u>		
(a) Budget Credit				
Excess Miscellaneous and Reimbursements Over Amount Budgeted		\$ <u>6,601</u>		

The notes to the financial statements are an integral part of this statement.

## OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

## Supplemental General Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2008

(With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts</b>				
<b>Taxes and Shared Revenues</b>				
Ad Valorem Tax	\$ 365,417	461,224	459,262	1,962
Delinquent Tax	1,154	2,751	1,837	914
Motor Vehicle Tax	30,350	29,724	36,498	(6,774)
Recreational Vehicle Tax	328	467	477	(10)
<b>Intergovernmental Revenue</b>				
Equalization Aid	1,818	13,019	13,866	(847)
<b>Other Local Sources</b>				
Insurance Reimbursements	13,660	-	-	-
Interest on Idle Funds	-	17,568	-	17,568
<b>Total Cash Receipts</b>	412,727	524,753	511,940	12,813
<b>Expenditures</b>				
Operations and Maintenance	292,730	298,036	351,000	52,964
Vehicle Operating Services	-	57,550	64,500	6,950
Operating Transfers	128,930	183,959	124,045	(59,914)
<b>Total Expenditures</b>	421,660	539,545	539,545	-
<b>Receipts Over (Under) Expenditures</b>	(8,933)	(14,792)		
<b>Unencumbered Cash, July 1</b>	22,754	13,821		
<b>Unencumbered Cash, June 30</b>	\$ 13,821	(971)		

The notes to the financial statements are an integral part of this statement.

## OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

## At Risk (K-12) Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2008

(With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts</b>				
<b>Other Local Sources</b>				
Operating Transfers	\$ 58,706	127,708	163,045	(35,337)
<b>Expenditures</b>				
Instruction	58,706	127,708	163,045	35,337
<b>Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash, July 1</b>	-	-		
<b>Unencumbered Cash, June 30</b>	\$ -	-		

The notes to the financial statements are an integral part of this statement.

## OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

## Capital Outlay Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2008

(With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts</b>				
<b>Other Local Sources</b>				
Interest on Idle Funds	\$ 25,413	-	15,000	(15,000)
Miscellaneous	16,735	11,193	10,000	1,193
Operating Transfers	13,874	59,769	-	59,769
<b>Total Cash Receipts</b>	<u>56,022</u>	<u>70,962</u>	<u>25,000</u>	<u>45,962</u>
<b>Expenditures</b>				
Instruction	-	-	20,000	20,000
School Administration	2,939	-	-	-
Vehicle Operating Services	48,900	12,000	-	(12,000)
Facility Acquisition and Construction	34,267	62,113	170,000	107,887
<b>Total Expenditures</b>	<u>86,106</u>	<u>74,113</u>	<u>190,000</u>	<u>115,887</u>
<b>Receipts Over (Under) Expenditures</b>	(30,084)	(3,151)		
<b>Unencumbered Cash, July 1</b>	<u>252,677</u>	<u>222,593</u>		
<b>Unencumbered Cash, June 30</b>	<u>\$ 222,593</u>	<u>219,442</u>		

The notes to the financial statements are an integral part of this statement.

## OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

## Driver Training Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2008

(With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts</b>				
Intergovernmental Revenue				
State Aid	\$ 1,222	1,320	1,620	(300)
Other Local Sources				
Student Fees	1,540	1,800	2,000	(200)
<b>Total Cash Receipts</b>	<u>2,762</u>	<u>3,120</u>	<u>3,620</u>	<u>(500)</u>
<b>Expenditures</b>				
Instruction	3,251	4,523	6,490	1,967
Student Support Services	583	480	1,100	620
Vehicle Operating Services	657	393	1,000	607
<b>Total Expenditures</b>	<u>4,491</u>	<u>5,396</u>	<u>8,590</u>	<u>3,194</u>
<b>Receipts Over (Under) Expenditures</b>	(1,729)	(2,276)		
<b>Unencumbered Cash, July 1</b>	<u>6,699</u>	<u>4,970</u>		
<b>Unencumbered Cash, June 30</b>	\$ <u>4,970</u>	<u>2,694</u>		

The notes to the financial statements are an integral part of this statement.

## OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

## Food Service Fund

## Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2008

(With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts</b>				
<b>Intergovernmental Revenue</b>				
State Aid	\$ 1,439	1,528	1,474	54
Federal Aid	47,858	43,158	51,025	(7,867)
<b>Other Local Sources</b>				
Lunch Fees	48,860	44,975	44,838	137
Miscellaneous	746	32	3,721	(3,689)
Operating Transfers	68,368	54,100	70,000	(15,900)
	<u>167,271</u>	<u>143,793</u>	<u>171,058</u>	<u>(27,265)</u>
<b>Expenditures</b>				
Operations and Maintenance	-	-	33,360	33,360
Food Service Operation	147,287	144,006	170,220	26,214
<b>Total Expenditures</b>	<u>147,287</u>	<u>144,006</u>	<u>203,580</u>	<u>59,574</u>
<b>Receipts Over (Under) Expenditures</b>	19,984	(213)		
<b>Unencumbered Cash, July 1</b>	<u>16,258</u>	<u>36,242</u>		
<b>Unencumbered Cash, June 30</b>	\$ <u>36,242</u>	<u>36,029</u>		

The notes to the financial statements are an integral part of this statement.

**OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403**  
**Otis, Kansas**  
**Professional Development Fund**  
 Statement of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended June 30, 2008  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts</b>				
<b>Intergovernmental Revenue</b>				
State Aid	\$ 951	345	2,000	(1,655)
<b>Other Local Sources</b>				
Operating Transfers	2,207	-	2,500	(2,500)
<b>Total Cash Receipts</b>	3,158	345	4,500	(4,155)
<b>Expenditures</b>				
Instructional Support Services	1,567	1,843	5,759	3,916
<b>Receipts Over (Under) Expenditures</b>	1,591	(1,498)		
<b>Unencumbered Cash, July 1</b>	114	1,705		
<b>Unencumbered Cash, June 30</b>	\$ 1,705	207		

The notes to the financial statements are an integral part of this statement.

## OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

## Special Education Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2008

(With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts</b>				
<b>Other Local Sources</b>				
Operating Transfers	\$ 316,265	383,763	295,000	88,763
<b>Expenditures</b>				
Instruction	280,968	321,632	315,000	(6,632)
Vehicle Operating Services	32,886	39,402	57,717	18,315
<b>Total Expenditures</b>	313,854	361,034	372,717	11,683
<b>Receipts Over (Under) Expenditures</b>	2,411	22,729		
<b>Unencumbered Cash, July 1</b>	74,860	77,271		
<b>Unencumbered Cash, June 30</b>	\$ 77,271	100,000		

The notes to the financial statements are an integral part of this statement.

## OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

## Vocational Education Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2008

(With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts</b>				
<b>Other Local Sources</b>				
Operating Transfers	\$ 97,372	140,768	141,037	(269)
<b>Expenditures</b>				
Instruction	97,372	140,768	141,037	269
<b>Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash, July 1</b>	-	-		
<b>Unencumbered Cash, June 30</b>	\$ -	-		

The notes to the financial statements are an integral part of this statement.

## OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

## KPERS Retirement Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2008

(With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts</b>				
Intergovernmental Revenue				
Employer Contributions	\$ 98,302	107,546	120,911	(13,365)
<b>Expenditures</b>				
Employee Benefits	98,302	107,546	120,911	13,365
<b>Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash, July 1</b>	-	-		
<b>Unencumbered Cash, June 30</b>	\$ -	-		

The notes to the financial statements are an integral part of this statement.

**OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403**  
**Otis, Kansas**  
**Contingency Reserve Fund**  
**Statement of Cash Receipts and Expenditures - Actual**  
**For the Year Ended June 30, 2008**  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
<b>Expenditures</b>		
Instruction	\$ -	-
<b>Unencumbered Cash, July 1</b>	<u>85,000</u>	<u>85,000</u>
<b>Unencumbered Cash, June 30</b>	<u>\$ 85,000</u>	<u>85,000</u>

The notes to the financial statements are an integral part of this statement.

## OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

## Textbook Rental Fund

Statement of Cash Receipts and Expenditures - Actual

For the Year Ended June 30, 2008

(With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
<b>Other Local Sources</b>		
Textbook Rental Fees	\$ 9,439	8,065
<b>Expenditures</b>		
Instruction	10,218	12,907
<b>Receipts Over (Under) Expenditures</b>	(779)	(4,842)
<b>Unencumbered Cash, July 1</b>	9,975	9,196
<b>Unencumbered Cash, June 30</b>	\$ 9,196	4,354

The notes to the financial statements are an integral part of this statement.

## OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

Title I Fund

Statement of Cash Receipts and Expenditures - Actual

For the Year Ended June 30, 2008

(With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
<b>Intergovernmental Revenue</b>		
Federal Aid	\$ 38,194	35,141
<b>Expenditures</b>		
Instruction	38,194	35,138
Instruction - Carryover	235	-
<b>Total Expenditures</b>	38,429	35,138
<b>Receipts Over (Under) Expenditures</b>	(235)	3
<b>Unencumbered Cash, July 1</b>	235	-
<b>Unencumbered Cash, June 30</b>	\$ -	3

The notes to the financial statements are an integral part of this statement.

## OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

## Title II - Teacher Improvement Fund

Statement of Cash Receipts and Expenditures - Actual

For the Year Ended June 30, 2008

(With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 11,762	11,713
<b>Expenditures</b>		
Instruction	11,762	11,713
<b>Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash, July 1</b>	-	-
<b>Unencumbered Cash, June 30</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

**OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403**  
**Otis, Kansas**  
**Title II - Education Technology Fund**  
**Statement of Cash Receipts and Expenditures - Actual**  
**For the Year Ended June 30, 2008**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2007)**

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue	\$ 373	351
Federal Aid		
<b>Expenditures</b>	373	351
Instruction		
<b>Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash, July 1</b>	-	-
<b>Unencumbered Cash, June 30</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

**OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403**  
**Otis, Kansas**  
**Title IV - Safe and Drug Free Schools Fund**  
**Statement of Cash Receipts and Expenditures - Actual**  
**For the Year Ended June 30, 2008**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2007)**

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 973	950
<b>Expenditures</b>		
Instruction	419	600
Student Support Services	554	350
<b>Total Expenditures</b>	973	950
<b>Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash, July 1</b>	-	-
<b>Unencumbered Cash, June 30</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

**OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403**  
**Otis, Kansas**  
**Title V - Innovative Programs Fund**  
**Statement of Cash Receipts and Expenditures - Actual**  
**For the Year Ended June 30, 2008**  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 556	516
<b>Expenditures</b>		
Instruction	556	516
<b>Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash, July 1</b>	-	-
<b>Unencumbered Cash, June 30</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

## OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

## Small Rural Schools Grant Fund

Statement of Cash Receipts and Expenditures - Actual

For the Year Ended June 30, 2008

(With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 40,747	23,689
<b>Expenditures</b>		
Instruction	40,711	23,725
<b>Receipts Over (Under) Expenditures</b>	36	(36)
<b>Unencumbered Cash, July 1</b>	-	36
<b>Unencumbered Cash, June 30</b>	\$ 36	-

The notes to the financial statements are an integral part of this statement.

## OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

## Gifts and Grants Fund

Statement of Cash Receipts and Expenditures - Actual

For the Year Ended June 30, 2008

(With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Other Local Sources		
Contributions and Donations	\$ -	1,025
Unencumbered Cash, July 1	-	-
Unencumbered Cash, June 30	\$ -	1,025

The notes to the financial statements are an integral part of this statement.

## OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

## Carl Perkins Grant Fund

Statement of Cash Receipts and Expenditures - Actual

For the Year Ended June 30, 2008

(With Comparative Actual Totals for the Prior Year Ended June 30, 2007)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Other Local Sources		
Contributions and Donations	\$ -	1,869
<b>Expenditures</b>		
Instruction	-	1,869
<b>Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash, July 1</b>	-	-
<b>Unencumbered Cash, June 30</b>	\$ -	-

The notes to the financial statements are an integral part of this statement.

## OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

## Agency Funds

Summary of Cash Receipts and Cash Disbursements  
For the Year Ended June 30, 2008

	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
<b>Activity Funds - Student Organizations</b>				
<b>High School</b>				
Band Club	\$ 708	102	95	715
C Club	118	-	118	-
Cheerleaders	108	3,219	2,189	1,138
Class of 2007	124	-	124	-
Class of 2008	3,104	12,461	15,431	134
Class of 2009	4,122	7,734	1,443	10,413
Class of 2010	2,267	5,535	3,170	4,632
Class of 2011	-	2,501	195	2,306
Concessions	4,239	17,343	21,582	-
Dance Club	963	238	1,019	182
Home Ec Club	93	-	93	-
Science Club	400	-	-	400
Kayettes	259	228	322	165
National Honor Society	53	-	-	53
Pep Club	116	-	116	-
SADD	2,858	4,455	4,480	2,833
Student Council	2,217	4,615	4,564	2,268
Yearbook	1,920	4,260	3,475	2,705
<b>Subtotal High School</b>	<b>23,669</b>	<b>62,691</b>	<b>58,416</b>	<b>27,944</b>
<b>Middle School</b>				
Eighth Grade	2,587	7,568	7,911	2,244
Kay Club	40	-	40	-
Cheer Club	266	-	117	149
Student Council	378	1,056	1,123	311
Teachers Advisory	40	-	40	-
<b>Subtotal Middle School</b>	<b>3,311</b>	<b>8,624</b>	<b>9,231</b>	<b>2,704</b>
<b>Total Student Organizations</b>	<b>26,980</b>	<b>71,315</b>	<b>67,647</b>	<b>30,648</b>
<b>Revolving Insurance Fund</b>	<b>1,536</b>	<b>20,795</b>	<b>19,378</b>	<b>2,953</b>
<b>Total Agency Funds</b>	<b>\$ 28,516</b>	<b>92,110</b>	<b>87,025</b>	<b>33,601</b>

The notes to the financial statements are an integral part of this statement.

OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403  
Otis, Kansas  
District Activity Funds  
Statement of Cash Receipts, Expenditures, and Unencumbered Cash  
For the Year Ended June 30, 2008

Fund	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
<b>Gate Receipts</b>						
High School						
Athletics	\$ 26,649	11,577	10,733	27,493	-	27,493
<b>Middle School</b>						
Athletics	-	7,203	6,853	350	-	350
<b>Total Gate Receipts</b>	26,649	18,780	17,586	27,843	-	27,843
<b>School Projects</b>						
High School						
Book & Horn Rental	-	2,980	2,980	-	-	-
Flowers	61	-	61	-	-	-
General	478	1,655	2,133	-	-	-
Industrial Arts	6,878	2,419	3,728	5,569	-	5,569
Joe Peroli Memorial	1,451	33	-	1,484	-	1,484
Library	46	29	25	50	-	50
Paper	359	-	359	-	-	-
Quiz Bowl	2,620	545	545	2,620	-	2,620
Speech	383	534	340	577	-	577
<b>Subtotal High School</b>	12,276	8,195	10,171	10,300	-	10,300
<b>Middle School</b>						
Book Rental	-	1,960	1,960	-	-	-
General	713	664	1,145	232	-	232
Music	338	-	338	-	-	-
<b>Subtotal Middle School</b>	1,051	2,624	3,443	232	-	232
<b>Elementary School</b>						
Book Rental	-	2,955	2,955	-	-	-
General	1,155	8,797	2,864	7,088	-	7,088
Box Tops	5,163	3,900	8,063	1,000	-	1,000
<b>Subtotal Elementary School</b>	6,318	15,652	13,882	8,088	-	8,088
<b>Total School Projects</b>	19,645	26,471	27,496	18,620	-	18,620
<b>Total District Activity Funds</b>	\$ 46,294	45,251	45,082	46,463	-	46,463

The notes to the financial statements are an integral part of this statement.

OTIS - BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

Notes to Financial Statements

June 30, 2008

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1. Summary of Significant Accounting Policies

The District has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statements are presented to conform to the statutory basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies:

A. Financial Reporting Entity

Otis - Bison Unified School District No. 403, Otis, Kansas, is a municipal corporation governed by an elected seven - member board. The District receives funding from local, state, and federal governmental sources and must comply with the requirements of these funding sources.

The financial statements of the District consist of all the funds of the District and governmental entities that are considered to be controlled by or dependent on the District. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board. The District has no entities that are controlled or dependent on the District.

Otis - Bison Unified School District No. 403, Otis, Kansas, is the primary government as defined in GASB #14 and further amended by GASB #39. The District Board is elected by the public. The Board has the authority to make decisions, levy taxes, influence operations and has the primary accountability in fiscal matters.

B. Basis of Presentation - Fund Accounting

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The following categories of funds comprise the financial activities of the District for the year ended June 30, 2008:

Governmental Funds

General Fund - reports as the primary fund of the District. The fund is used to account for all financial resources not reported in other funds.

Special Revenue Funds - to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are restricted by law or administrative action to expend for specific purposes.

Fiduciary Fund

Student Activity Fund - an agency fund that accounts for the receipts and disbursements of monies from student activity organizations. These organizations exist with the explicit approval of and are subject to revocation by the District's Board of Education. This accounting reflects the District's agency relationship with the student activity organizations.

OTIS - BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

Notes to Financial Statements

June 30, 2008

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**C. Statutory Basis of Accounting**

The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the statutory basis of accounting.

**D. Departure from Accounting Principles Generally Accepted in the United States of America**

The basis of accounting described above results in a financial statement presentation, which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expenses, liabilities such as deferred revenue and matured principal, and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the year in accordance with generally accepted accounting principles. General capital assets that account for the land, buildings, and equipment owned by the District are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, temporary notes, and compensated absences are not presented in the financial statements.

**E. Accounting for Capital Assets and Depreciation**

The District does not maintain a record of capital assets used in performance of general government operations as required by generally accepted accounting principles.

**F. Budgetary Information**

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Revenue Funds (unless specifically exempted by statute), Debt Service Funds, and Enterprise Funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding fiscal year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

OTIS - BISON UNIFIED SCHOOL DISTRICT NO. 403  
Otis, Kansas  
Notes to Financial Statements  
June 30, 2008

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**F. Budgetary Information (cont.)**

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no budget amendments this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the statutory basis of accounting, in which revenues are recognized when cash is received, and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for fiduciary funds and the following special revenue funds: Contingency Reserve Fund, Textbook Rental Fund, Title I Fund, Title II – Teacher Improvement Fund, Title II – Education Technology Fund, Title IV – Safe and Drug Free Schools Fund, Title V – Innovative Programs Fund, Small Rural Schools Grant Fund, Gifts and Grants Fund, Carl Perkins Grant Fund.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

**G. Encumbrances**

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation is utilized in the governmental funds.

**H. Deposits**

The District follows the practice of pooling cash of all funds. Each fund's portion of total cash is summarized by fund type in the Summary of Cash Receipts, Cash Disbursements and Unencumbered Cash.

As of June 30, 2008, the District had no investments.

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the County in which the District is located or in an adjoining County if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

OTIS - BISON UNIFIED SCHOOL DISTRICT NO. 403  
Otis, Kansas  
Notes to Financial Statements  
June 30, 2008

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**H. Deposits and Investments (cont.)**

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

*Concentration of credit risk.* State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District does not use peak depository coverage. All deposits were legally secured at June 30, 2008.

At June 30, 2008, the District's carrying amount of deposits was \$521,073 and the bank balance was \$703,455. Of the bank balance, \$361,178 was covered by federal depository insurance and \$342,277 was collateralized with securities held by the pledging financial institutions agents in the District's name.

**I. Property Tax Calendar**

Property taxes are collected and remitted to the District by the County Treasurer. Taxes levied annually on November 1<sup>st</sup> are due one half by December 20<sup>th</sup> and one half by May 10<sup>th</sup>. Major property tax payments are received December through June and are recognized as revenue in the year received.

**J. Inventories and Prepaid Expenses**

Inventories and prepaid expenses which benefit future periods are recorded as expenditures during the year of purchase as required by state statutes.

**K. Defined Benefit Pension Plan**

**Plan description** - Otis - Bison Unified School District No. 403, Otis, Kansas participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 South Kansas Avenue, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

**Funding Policy** - K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. Kansas contributed 7.37% of covered payroll for the fiscal year ended June 30, 2008. These contribution requirements are established by KPERS and are periodically revised. Kansas' contributions to KPERS for all Kansas public school employees for the years ending June 30, 2008, 2007, and 2006 were \$220,815,154, \$192,425,626, and \$159,728,918, respectively, equal to the required contributions for each year.

OTIS - BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

Notes to Financial Statements

June 30, 2008

**L. Compensated Absences**

The annual amount of sick leave, ten days, is credited to the employee each September 1<sup>st</sup>. At the same time all prior unused sick leave is credited to the employee, to a maximum of 85 days for the certified employee and 60 days for the classified employee. Termination of employment shall automatically void all accumulated days of sick leave. Accumulated vacation time has to be used by June 30 except for the District's custodians. Custodians must utilize vacation time by the second Monday in August or it is forfeited. The total potential liability for vacation and sick leave of the District as June 30, 2008 was approximately \$229,890. This potential liability is shown in Note 10 – Statement of Changes and Maturities in Long Term Debt.

**M. Deferred Compensation Plan**

The District sponsors a deferred compensation plan under the Internal Revenue Code Section 403(b). Permanent and part time employees are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The District is not required to make any contributions.

**N. Other Post Employment Benefits**

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the District for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

**2. Transfers and Payments**

Transfers and payments within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects, and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas Statutes. The District's operating transfers and statutory authority for June 30, 2008 were as follows:

From	To	Statutory Authority	Amount
General	Food Service	K.S.A. 72-5119	\$ 14,457
General	Special Education	K.S.A. 72-6420	293,415
General	Vocational Education	K.S.A. 72-6421	115,845
General	At – Risk (K-12)	K.S.A. 72-6414a	98,663
General	Capital Outlay	K.S.A. 72-8801	59,769
Supplemental General	Special Education	K.S.A. 72-6420	90,348
Supplemental General	Food Service	K.S.A. 72-5119	39,643
Supplemental General	Vocational Education	K.S.A. 72-6421	24,923
Supplemental General	At – Risk (K-12)	K.S.A. 72-6414a	29,045
Total			<u>\$ 766,108</u>

**3. Use of Estimates in the Preparation of Financial Statements**

The preparation of financial statements on a prescribed basis of accounting that demonstrates compliance with the statutory basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

OTIS - BISON UNIFIED SCHOOL DISTRICT NO. 403  
Otis, Kansas  
Notes to Financial Statements  
June 30, 2008

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**4. Litigation**

The District is party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the funds of the District.

**5. Risk Management – Claims and Judgments**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and students; and natural disasters.

The District carries commercial insurance for all other risks of loss, including property, general liability inland marine, auto, linebacker, and student activity coverage.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three calendar years.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. At June 30, 2008, the financial statements do not include liabilities for anticipated costs.

**6. Grants and Shared Revenues**

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the District, any liability for reimbursement, which may arise as the result of the audits, is not believed to be material.

**7. Comparative Data**

Comparative total data for the prior year has been presented in Statement 3 in the accompanying financial statements in order to provide an understanding of changes in the District's cash and unencumbered cash balances. However, complete comparative data (i.e., presentation of prior year totals in Statement 1 and Statement 2) has not been presented since their inclusion would make certain statements unduly complex and difficult to read.

**8. Related Party Transactions**

In accordance with Financial Accounting Standards Board Statement No. 57 (the Statement), the following related party transactions were identified for 2008. Related party transactions do not include compensation arrangements, expense allowances and reimbursements, and similar items incurred in the ordinary course of operations and, accordingly, such items are not included below.

	<u>2008</u>
Mak-D	
Claude Nelson is owner of the company and was a Board Member in 2008:	\$ <u>10,985</u>

**9. Compliance with K.S.A. 72-6417(d) and K.S.A. 72-6434(d)**

K.S.A. 72-6417(d) and K.S.A. 72-6434(d) require the school district to record any payment of general state aid that is due to be paid during the month of June and is paid to the school district after June 30, as a receipt for the school year ending on June 30. Note 9 shows the revenue as required by these Statutes and are included on the next two pages.

**OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403**

**Otis, Kansas**

**General Fund**

Note 9 - Statutory Revenues and Expenditures - Statutory and Budget  
For the Year Ended June 30, 2008

	<u>Statutory Transactions</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Statutory Revenues</b>			
<b>Taxes and Shared Revenues</b>			
Ad Valorem Tax	\$ 341,690	336,928	4,762
Delinquent Tax	2,001	1,698	303
Severance Tax	1,344	-	1,344
<b>Intergovernmental Revenue</b>			
Equalization Aid	1,483,942	1,510,390	(26,448)
State Aid	260,920	240,881	20,039
<b>Other Local Sources</b>			
Miscellaneous	5,123	-	5,123 (a)
Reimbursements	1,478	-	1,478 (a)
<b>Total Statutory Revenues</b>	<u>2,096,498</u>	<u>2,089,897</u>	<u>6,601</u>
 <b>Expenditures</b>			
Instruction	890,322	949,000	58,678
Student Support Services	58,001	60,100	2,099
Instructional Support Services	48,193	59,120	10,927
General Administration	177,892	180,850	2,958
School Administration	199,864	183,355	(16,509)
Operations and Maintenance	110	-	(110)
Vehicle Operating Services	139,967	142,740	2,773
Operating Transfers	582,149	547,537	(34,612)
Adjustment to Comply with Legal Max	-	(32,805)	(32,805)
<b>Legal General Fund Budget</b>	2,096,498	2,089,897	(6,601)
<b>(a) Adjustment for Qualifying     Budget Credit</b>	<u>-</u>	<u>6,601</u>	<u>6,601</u>
<b>Total Expenditures</b>	<u>2,096,498</u>	<u>2,096,498</u>	<u>-</u>
 <b>Statutory Revenues Over (Under) Expenditures</b>	-		
 <b>Modified Unencumbered Cash - July 1</b>	<u>685</u>		
 <b>Modified Unencumbered Cash - June 30</b>	\$ <u>685</u>		
 <b>(a) Budget Credit</b>			
Excess Miscellaneous and Reimbursements Over Amount Budgeted	\$ <u>6,601</u>		

**OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403**

**Otis, Kansas**

**Supplemental General Fund**

Note 9 - Statutory Revenues and Expenditures - Statutory and Budget  
For the Year Ended June 30, 2008

	<u>Statutory Transactions</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Statutory Revenues</b>			
<b>Taxes and Shared Revenues</b>			
Ad Valorem Tax	\$ 461,224	459,262	1,962
Delinquent Tax	2,751	1,837	914
Motor Vehicle Tax	29,724	36,498	(6,774)
Recreational Vehicle Tax	467	477	(10)
<b>Intergovernmental Revenue</b>			
Equalization Aid	13,866	13,866	-
Interest on Idle Funds	17,568	-	17,568
<b>Total Statutory Revenues</b>	<u>525,600</u>	<u>511,940</u>	<u>13,660</u>
<b>Expenditures</b>			
Operations and Maintenance	298,036	351,000	52,964
Vehicle Operating Services	57,550	64,500	6,950
Operating Transfers	183,959	124,045	(59,914)
<b>Total Expenditures</b>	<u>539,545</u>	<u>539,545</u>	<u>-</u>
<b>Statutory Revenues Over (Under) Expenditures</b>	(13,945)		
<b>Modified Unencumbered Cash, July 1</b>	<u>13,945</u>		
<b>Modified Unencumbered Cash, June 30</b>	\$ <u>-</u>		

OTIS - BISON UNIFIED SCHOOL DISTRICT NO. 403  
Otis, Kansas  
Notes to Financial Statements  
June 30, 2008

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**10. Long Term Debt**

The District has the following types of Long Term Debt:

Lease Obligation

The District has entered into a lease with Office Products, Inc. for copier use and maintenance.

Changes in long term liabilities for the District at June 30, 2008 and current maturities of long term debt for the next five years through maturity are displayed on Note 10 on the next page.

OTIS-BISON UNIFIED SCHOOL DISTRICT NO. 403

Otis, Kansas

Note 10 - Statement of Changes and Maturities in Long Term Debt  
For the Year Ended June 30, 2008

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year
Capital Leases 5 Canon Copiers	0%	9/19/2007 \$	63,000	9/19/2012 \$	-	63,000	(9,450)	53,550	53,550
Amount to be Provided for: Compensated Absences	N/A	N/A	N/A	N/A	241,247	-	(11,357)	(11,357)	229,890
Total Long Term Debt		\$	63,000	\$	241,247	63,000	(20,807)	42,193	283,440
Issue	2009	2010	2011	2012	2013	Total			
Principal Capital Leases 5 Canon Copiers	\$ 12,600	12,600	12,600	12,600	3,150	53,550			